

DRAFT

LAKE SHORE HOSPITAL AUTHORITY
BOARD OF TRUSTEES

Regular Meeting – August 14, 2023, 5:15 p.m.

This meeting was conducted as a public meeting and a Virtual meeting.

Present: Brandon Beil, Chair
Stephen M. Douglas, Vice-Chair

Lory Chancy – Secretary/Treasurer
Don Kennedy, Trustee

Also

Present: Dale Williams, Executive Director
Todd Kennon, Attorney
Richard Powell, Accountant
Barbara Lemley

Sonja Markham, LSHA Staff
Karl Plenge, NOC
Morgan McMullen, Reporter
Dwayne Cunningham, Director of Facilities
Operations

5 participants participated in the LSHA Virtual Regular Board Meeting.

CALL TO ORDER

Chairman Beil called the in person/virtual August 14, 2023, Regular Meeting to order at 5:15 P.M. Chairman Beil called for additions/deletions to the Agenda. There were two (2). 1. Discussion and possible action re: Bedoya Building Demolition Change Order. 2. The Contract between Authority and OCD, provider of janitorial services to the Authority. **Motion** by Mrs. Lory Chancy to approve adoption of the Agenda with the two (2) additions. **Second** by Mr. Stephen Douglas. All in favor. **Motion carried.**

INDIVIDUAL APPEARANCES

Barbara Lemley.

CONSENT AGENDA

Chairman Beil called for a Motion to approve the Consent Agenda. **Motion** by Mrs. Lory Chancy to approve adoption of the Consent Agenda. **Second** by Mr. Stephen Douglas. All in favor. **Motion carried.**

NEW BUSINESS

Discussion and possible action – OCD

Mr. Williams informed the Board the principal of OCD Pro Clean is now deceased. OCD has changed ownership to OCD Cleaning 904, LLC. OCD Cleaning 904, LLC would like a new agreement with the new name, with the same terms and conditions. Mr. Williams asked for approval from the Board to allow an assignment to OCD Cleaning 904, LLC. **Motion** by Mrs. Lory Chancy to transition from OCD Pro Clean to OCD Cleaning 904, LLC. **Second** by Mr. Stephen Douglas. All in favor. **Motion carried.**

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Discussion and possible action – Disposition of Record Storage Building

Mr. Williams updated the Trustees of conversations with Mr. David Kraus. Mr. Williams suggested making changes to the existing agreement between the Authority and the County and adding the record storage building. At this time there will be five (5) changes to the existing agreement and this agreement will be brought back to the Trustees for their approval as soon as it is prepared.

Discussion and possible action – Lake Shore Hospital Emergency Management

Mr. Williams updated the Trustees on the emergency management trailers and their contents. The staff recommendation is to allow Columbia County Emergency Management to identify what materials, equipment, and supplies within the trailers they would like to transfer. Any non-transferred materials, equipment or supplies will be sold as surplus. **Motion** by Mr. Don Kennedy to allow the County to take possession of the contents of the three (3) trailers including the three (3) trailers. The property the county does not desire to utilize is to be declared as surplus and disposed of appropriately. **Second** by Mr. Stephen Douglas. All in favor. **Motion carried.**

Discussion and possible action – Auto Liability, Property Coverage and Workers Compensation Renewal 2023-2024

Mr. Williams informed the Trustees last year the premium was \$191,454.00, this year the premium has increased to \$291,321. Discussion regarding the value placed on the hospital building. Mr. Williams requested authorization from the Trustees to speak with the underwriter and have Mr. Kennon participate in this conversation. Mr. Williams will come back to the Board at the September 11th meeting with answers and/or options.

Discussion and possible action – City of Lake City re: Donated lots

Mr. Williams gave the Trustees an update. Discussion. **Motion** by Mr. Don Kennedy for Mr. Williams to write a detailed letter to the City Manager, Mr. Dyal and request the specifics as to their current needs for the donated lots. **Second** by Mr. Stephen Douglas. All in favor. **Motion carried.**

Update – Contract with EM PALS (Emergency Physicians at Lake Shore)

Mr. Kennon informed the Trustees the Ground Lease has been approved by all parties. The next step will be to work on the proposed financial agreement. More updates will be available at the September meeting.

Update – Contract with Meridian Behavioral Healthcare

Mr. Kennon informed the Trustees Meridian is requesting to purchase the hospital building. Discussion. The Trustees are asking Meridian to have paperwork prepared by the September meeting.

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UNFINISHED BUSINESS

Mr. Williams informed the Trustees of the additional foundation Florida Fill and Grading found and removed when the demo of the Bedoya Building was in progress. There was an additional cost to Florida Fill and Grading to remove the foundation. Florida Fill and Grading gave a cost of \$4,500.00 for the additional work. **Motion** by Mrs. Lory Chancy to pay the additional \$4,500.00. Mr. Don Kennedy asked for an amendment to the Motion for documentation for over and above costs for the file. **Motion amended** by Mrs. Lory Chancy. **Second** by Mr. Stephen Douglas. All in favor. **Motion carried.**

STAFF REPORT

The staff report is in the Trustee packets.

BOARD MEMBER COMMENTS

None.

Chairman Beil adjourned meeting. Meeting adjourned.

Respectfully submitted,

Lory Chancy, Secretary/Treasurer

Date of Approval

LAKE SHORE HOSPITAL AUTHORITY

**AGENDA
FIRST BUDGET HEARING**

**September 11, 2023
5:15 p.m.**

1. Open Public Hearing

Chair announces that the proposed millage rate of 0.0001 mills is the rolled back rate for 2023-2024. The purpose of the levy is to maintain the legal standing of the Lake Shore Hospital Authority as a taxing authority.

2. Overview of budget.

3. Comments on the budget by the Authority members and staff.

4. Public input on the budget and millage rate.

5. Amendments to the proposed budget and millage rate, if any.

6. Motion: To adopt tentative millage rate of 0.0001 mills for the 2023-2024 fiscal year.

7. Motion: To adopt tentative budgets for the 2023-2024 fiscal year as follows:

	Appropriations & Reserves
Patient Care Fund - Healthcare Services	<u>\$10,140,000</u>
Buildings Administration Fund	800,000
Operating Fund	<u>9,305,000</u>
Total	<u><u>\$20,245,000</u></u>

8. Close Public Hearing and announce:

The Final Budget Hearing will be held Monday, September 25, 2023 at 5:15 p.m.

**LAKE SHORE HOSPITAL AUTHORITY
BUDGET SUMMARY
OCTOBER 1, 2023 - SEPTEMBER 30, 2024**

**THE PROPOSED OPERATING BUDGET EXPENDITURES OF LAKE SHORE HOSPITAL
AUTHORITY ARE 8.9% MORE THAN LAST YEAR'S TOTAL OPERATING EXPENDITURES**

	Healthcare Services	Buildings Administration	Operating	Total
REVENUES AND BALANCES				
Ad valorem taxes				
0.0001 mills	\$ 361	\$ -		\$ 361
Interest earnings/ other	239,639	-	305,000	544,639
Total revenue	<u>240,000</u>	<u>-</u>	<u>305,000</u>	<u>545,000</u>
Interfund transfers	-	600,000	-	600,000
Estimated beginning cash	9,900,000	200,000	9,000,000	19,100,000
	<u>\$ 10,140,000</u>	<u>\$ 800,000</u>	<u>\$ 9,305,000</u>	<u>\$ 20,245,000</u>
EXPENDITURES AND RESERVES				
Administration	\$ -	\$ -	\$ 414,600	\$ 414,600
Healthcare services				
Indigent patient care	350,000	-	-	350,000
Building maintenance				
Repairs and maintenance		705,000	-	705,000
		-	-	
	<u>350,000</u>	<u>705,000</u>	<u>414,600</u>	<u>1,469,600</u>
Interfund transfers	-		600,000	600,000
Ending cash reserves	9,790,000	95,000	8,290,400	18,175,400
	<u>\$ 10,140,000</u>	<u>\$ 800,000</u>	<u>\$ 9,305,000</u>	<u>\$ 20,245,000</u>

**THE TENTATIVE, ADOPTED, AND/OR FINAL BUDGETS ARE ON FILE IN THE OFFICE OF THE
ABOVE MENTIONED TAXING AUTHORITY AS A PUBLIC RECORD**

The Tentative, Adopted, and/or Final budgets are on file in the Office of the above-mentioned taxing authority as a public record.

LSHA Healthcare Services Fund
Proposed Budget
October 2023 through September 2024

	Actual Oct '17 - Sep 18	Actual Oct 18 - Sept 19	Actual Oct 20 - Sept 21	Actual Oct 21-Sept 22	Actual Oct 22 - June 23	Budget Oct 22-Sept 23	Proposed Oct 23-Sept 24
Ordinary Income/Expense							
Income							
Ad Valorem Tax - Current	\$ 2,289,064	\$ 2,476,258	\$ 1,143		\$ -	\$ -	\$ -
Ad Valorem Tax - Delinquent	11,114	-	4,693		-	-	-
Interest Income	29,722	95,008	34,669	17,039	118	240,000	240,000
Miscellaneous Income	44,263	5,650	10,130	21,557	7,986	-	1,000
Total Income	2,374,163	2,576,916	50,635	38,596	8,104	240,000	241,000
Gross Profit	2,374,163	2,576,916	50,635	45,196	8,104	240,000	241,000
Expense							
Tax Collector Fees	37,261	36,240	-	-	-	-	-
Property Appraiser Fees	85,656	85,579	-	-	-	-	-
Other Expenses	35	723	94,729	-	-	-	-
Indigent Care	-	-	-	-	-	-	-
Physician Reimbursement	159,872	116,972	-	-	7,750	-	-
Indigent Care - Other	1,333,853	864,186	93,237	37,244	8,600	200,000	400,000
Urgent Care Clinic Subsidy	-	-	-	-	-	150,000	-
Total Indigent Care	1,493,725	981,158	93,237	37,244	16,350	350,000	400,000
Total Expense	1,616,677	1,103,700	187,966	37,244	16,350	350,000	400,000
Net Ordinary Income	757,486	1,473,216	(137,331)	7,952	(8,246)	(110,000)	(159,000)
Net Income	757,486	1,473,216	(137,331)	7,952	(8,246)	(110,000)	(159,000)
Beginning Fund Balance	5,232,585	5,990,072	9,986,759	9,849,428	9,857,380	9,900,000	9,800,000
	\$ 5,990,071	\$ 7,463,288	\$ 9,849,428	\$ 9,857,380	\$ 9,849,134	\$ 9,790,000	\$ 9,641,000

**LAKE SHORE HOSPITAL AUTHORITY
BUILDINGS ADMINISTRATION FUND
PROPOSED BUDGET 2023-2024 FISCAL YEAR**

	ACTUAL OCT 20-SEPT 21	ACTUAL OCT 21-JUNE 22	ACTUAL OCT 21- SEPT 22	ACTUAL OCT 22- JUNE 23	BUDGET OCT 22-SEPT 23	PROPOSED OCT 23-SEPT 24
Expenditures						
Computer/Internet	\$ 4,861	\$ 1,539	\$ 1,999	1,410	625	1,500
Insurance	296,063	-	183,163	7,781	32,500	150,000
Lawn Maintenance	32,010	26,205	35,985	26,190	8,750	32,000
Licenses	1,019	107	182	-	250	-
Office Expense	177	1,282	1,282	526	125	-
Total Payroll	317,087	87,452	114,226	75,973	33,000	60,000
Pest Control	7,036	5,193	7,191	6,492	2,000	7,000
Postage	8	-	10	-	-	-
Repair/Equipment	39,465	19,468	23,914	34,273	15,000	50,000
Security	135,416	101,401	141,345	122,390	37,500	140,000
Utility - Electric	188,319	115,248	161,761	134,493	50,000	160,000
Fire Alarm	1,619	2,285	2,838	1,088	2,000	2,500
Utility - Phone	14,059	4,068	7,632	5,534	3,000	2,000
Utility - Water/Sewage	133,621	87,449	103,945	134,493	32,000	100,000
WW Gay	1,819	-	-	-	1,250	-
Other Expenses	581	2,076	-	-	-	-
Renovations- Reyes Building	-	-	-	-	110,000	-
Renovations-Womens Center	-	-	-	-	260,000	-
Total Expenditures	1,173,160	453,773	785,473	550,643	588,000	705,000
Interfund Transfer In	740,000		740,000		500,000	600,000
BEGINNING CASH	1,557,964	1,124,804	994,572		200,000	200,000
ENDING CASH	\$ 1,124,804	\$ 671,031	\$ 1,040,045		\$ 288,000	\$ 95,000

LSHA Operating Fund Proposed Budget
October 2023 through September 2024

	Actual	Actual	Actual	Budget	Proposed
	Oct 18 - Sept 19	Oct 20 - Sept 21	Oct 21- Sept 22	Oct 22-June 23	Oct 23-Sept 24
Income					
Interest Income	\$ 105,987	\$ 122,308	22,323	\$ 254,729	\$ 300,000
Miscellaneous Revenue	2,697	20	-	-	-
Other Income	315	5,601	651	36,803	5,000
Rental Income	440,684	187,222	-	15,314	-
Total Income	549,683	315,151	22,974	306,846	305,000
Gross Profit	549,683	315,151	22,974	306,846	305,000
Expense					
Accounting Services	15,184	23,053	13,811	8,200	25,000
Advertising	3,171	884	2,893	2,139	4,000
Bank Fees	150	-	-	250	500
Communications Expense	6,187	6,887	6,820	5,826	7,000
Dues & Subscriptions	1,444	4,192	1,133	3,409	2,500
Employee Expense	169	704	321	232	750
Insurance					
Property	7,038	8,062	8,706	1,932	8,000
Workers' Compensation	719	754	8,987	8,704	1,000
Directors & Officers Liability	19,890	24,024	50,000	50,000	50,000
General Liability	1,974	22,775	24,061	23,400	23,000
Total Insurance	29,621	55,615			82,000
Janitorial Expense	4,359	3,240	2,970	2,886	5,000
Lawn Maintenance	8,916	5,142	6,897	5,250	8,000
Legal Services	30,858	31,433	26,164	21,190	30,000
Licenses	75	75	2,769	524	3,000
Miscellaneous Expense	99	11,044		1,385	3,000
Office Expense					
Computer/Network related	9,327	17,537	23,818	18,039	18,000
Miscellaneous Supplies	1,464	2,662	2,578	1,557	2,500

LSHA Operating Fund Proposed Budget

October 2023 through September 2024

	Oct 18 - Sept 19	Oct 20 - Sept 21	Oct 21- Sept 22	Oct 22-June 23	Oct 22-Sept 23	Oct 23-Sept 24
Office Supplies	7,629	4,134	4,277	2,564	5,000	5,000
Website Maintenance	1,954	1,918	2,378	1,813	5,000	3,000
Office Expense - Other	96	3,122	1,988	1,672	2,000	3,000
Total Office Expense	20,470	29,373			32,500	32,000
Postage	413	421	552	255	500	500
Professional Services	-	731	481	-	2,000	1,000
Repair & Maintenance						
Building	295	-	-	-	2,000	2,500
Equipment	5,469	4,775	4,948	4,804	5,000	5,000
Repair & Maintenance - Other	-	1,738	1,550	-	2,000	2,500
Total Repair & Maintenance	5,764	6,513			9,000	10,000
Sales Tax	34,792	-				
Utilities						
Electric	7,556	5,468	6,845	5,144	7,000	7,000
Garbage Disposal	301	320	336	264	500	500
Water, Sewer, Gas	5,650	4,087	4,057	3,453	6,000	4,000
Total Utilities	13,507	9,875			13,500	11,500
66000 · Payroll Expenses						
Payroll Taxes	11,855	12,571	12,253	9,154	15,000	12,000
Retirement Contributions	16,625	12,761	13,638	9,854	19,400	20,250
Wages	154,973	148,986	120,987	53,351	194,271	150,000
66000 · Payroll Expenses - Other	232	-	1,859	212	300	500
Total 66000 · Payroll Expenses	183,685	174,318			228,971	182,750
66900 · Reconciliation Discrepancies	(1)	(0)				
69800 · Uncategorized Expenses	215	20,431	-	2,070	-	-
Property taxes		187,222	-	-	-	-
Total Expense	359,080	571,153	358,077	249,533	457,221	414,600
Net Income	190,603	(256,002)	(300,764)	57,313	(157,221)	(109,600)
Interfund Transfer Out	-	-			(500,000)	(600,000)
Beginning Fund Balance	9,470,922	11,284,504	11,028,504	10,727,740	10,000,000	9,000,000

4:48 PM
08/25/20
Accrual Basis

LSHA Operating Fund Proposed Budget

October 2023 through September 2024

	<u>Oct 18 - Sept 19</u>	<u>Oct 20 - Sept 21</u>	<u>Oct 21- Sept 22</u>	<u>Oct 22-June 23</u>	<u>Oct 22-Sept 23</u>	<u>Oct 23-Sept 24</u>
Ending Fund Balance	\$ 9,661,525	\$ 11,028,502	10,727,740	\$ 10,785,053	\$ 9,342,779	\$ 8,290,400

September 6, 2023

TO: Lake Shore Hospital Authority Trustees

FR: Dale Williams, Executive Director

RE: Proposed Agreement – LSHA and Meridian Behavioral Healthcare

As discussed in the LSHA Trustee meeting on August 14, 2023, three (3) primary questions were identified by LSHA staff that required an answer from the Trustees before a “Final” draft agreement conveying Lake Shore Hospital to Meridian Behavioral Healthcare could be prepared. The Trustees expressed a desire to resolve these questions at their next regular scheduled meeting (September 11, 2023). During the LSHA/Meridian September 6, 2023, weekly call, Meridian agreed to attend the September 11, 2023, Trustee meeting and discuss any primary unanswered questions. Meridian also identified a fourth question that the Trustees needed to answer. This question has also been added to the agenda for discussion and action.

The following are the questions that need to be discussed and answered by the Trustees:

- 1.) Is the Lake Shore Hospital Authority Board of Trustees in agreement to convey Lake Shore Hospital to Meridian Behavioral Healthcare through an “Agreement For The Purchase And Sale Of Real Property”? The purchase price would be \$0.00 dollars, but Meridian will be committing to conduct improvements to the property to obtain a Certificate of Occupancy and licenses to conduct behavioral health programs to include an inpatient crisis/emergency program, a crisis stabilization unit for children and adults, and inpatient psychiatric beds (30+ beds), as well as a primary care or federally qualified health center program. Meridian will also agree to deed restrictions and a reverter clause returning the property to the Authority if the property is not used for the required behavioral health care purposes.
- 2.) Meridian has provided a corporate resolution authorizing the expenditure of up to \$10 million dollars to make necessary improvements to Lake Shore Hospital. Is the corporate resolution sufficient enough to satisfy LSHA Trustees that Meridian has made a financial commitment to the community and therefore, met the requirement for property conveyance?
- 3.) Meridian is requesting that LSHA continue to maintain the hospital at current levels and conditions until all assessments and renovations necessary for occupancy could be completed. Meridian is currently requesting this continued maintenance for a period ending on or before December 2025. Is this acceptable to the Board of Trustees?
- 4.) Meridian has submitted a list of currently owned Lake Shore Hospital Authority properties that has been requested to be transferred as part of the agreement. The Trustees are requested to look at these properties and indicate if they agree or not.

Dale Williams

From: David Kraus <david_kraus@columbiacountyfla.com>
Sent: Wednesday, August 16, 2023 12:22 PM
To: Dale Williams
Subject: RE: Lake Shore Hospital Authority
Attachments: LSHA Lease Agreement for File Storage facility.CLEAN.docx

Dale;

Funny you mentioned it. The revised lease was just returned from Joel and here it is. Please review and let me know if you need any changes. We wish to proceed. As for the trailers, I will contact Shayne and we will call you to set a time.

I appreciate your help.

David Kraus

From: Dale Williams <dale@lakeshoreha.org>
Sent: Wednesday, August 16, 2023 10:26 AM
To: David Kraus <david_kraus@columbiacountyfla.com>; Sonja Markham <sonja@lakeshoreha.org>
Cc: Dwayne Cunningham <dwayne@lakeshoreha.org>
Subject: Lake Shore Hospital Authority

David:

The Lake Shore Hospital Authority met Monday August 14, 2023. The following comments/decisions were made regarding requests of Columbia County:

- 1. Records Storage Building** – The Authority Trustees were advised that you and I had met to discuss the LSHA Records Storage Building and Columbia County’s need to use it. I advised that you and I had agreed that the easiest method to accomplish this request would be to modify the current “Commercial Office Space Lease Agreement” between the Lake Shore Hospital Authority and Columbia County. You and I believed five changes were needed to amend the lease for the purpose intended. It was my understanding that you were to discuss with the County Attorney and after having done so, advise me of whether to proceed with the lease modification as discussed or add additional amendments. I will wait on your response.
- 2. Lake Shore Hospital Emergency Management Trailers** – The Trustees approved the transfer of any contents within the trailers, and the trailers themselves, that might be needed/used by Columbia County for Emergency Management response. I would suggest you coordinate a meeting with Shane (or his designee) where we can examine the contents of the trailers to be transferred to Columbia County. It will be necessary for the Authority to identify those items with serial numbers and record them for inventory purposes prior to transfer. As this may take a little time, we should probably discuss the best time to perform this work. Please give me a call at your convenience to discuss.

Dale Williams
Executive Director
Lake Shore Hospital Authority
259 NE Franklin Street, Suite 102
PO Box 988
Lake City, Florida 32055
Phone: (386) 755-1090

Cell: (386) 623-3493
Fax: (386) 755-7009

COMMERCIAL LEASE AGREEMENT

This Lease Agreement is made and entered this ___ day of _____ 2023 by and between the **LAKE SHORE HOSPITAL AUTHORITY**, an Independent Special District of the State of Florida, 259 NE Franklin Street, Suite 102, Lake City, Florida 32055 (hereinafter the "Lessor" or "Authority") and **COLUMBIA COUNTY, FLORIDA**, a Political Subdivision of the State of Florida, PO BOX 1529, Lake City, Florida 32056-1529 (hereinafter the "Lessee" or "County")

WHEREAS, the Authority, maintains two commercial buildings, a records storage building and the LSHA office building, located at 259 NE Franklin Street, Lake City Florida 32055 (hereinafter the "Property") within which commercial office space is vacant; and

WHEREAS, County is desirous of leasing the above-described commercial office space for records storage and office space for the Board of Health, Clerk of Courts and other uses

NOW, THEREFORE, for and in consideration of good and valuable considerations and the covenants, conditions, and agreements as are hereinafter set forth, the Lessor and Lessee agree as follows:

1. **PREMISES AS IS**: The Lessor leases and Lessee does rent and hire from the Lessor, the Property, specifically _____ (hereinafter the "Premises" or "Property"). It is the responsibility of the Lessee, at the Lessee's sole expense, to satisfy itself, prior to the execution of this Agreement, as to the title and condition of the Premises. Lessor makes no warranties or representations to the Lessee, and the Lessee agrees the Lessor has made no warranty or representation respecting the condition of the Premises, or applicability of the uses contemplated by the Lessee, or the applicability of any covenants or restrictions of public record, except as otherwise expressly provided herein. Lessee further acknowledges it has had adequate opportunity to inspect the Premises hereunder prior to entering into this Agreement or has made adequate provision herein. Accordingly, the taking of possession of the Premises by the Lessee shall be conclusive evidence that the Premises were in good and satisfactory condition when possession was taken by Lessee.

2. **TERM**: The initial term of this Lease shall be 12 months commencing when the Lessee takes possession of the Premises. Thereafter the lease may be renewed for additional 12-month periods on the same terms and conditions set forth herein unless terminated by either party prior to the expiration of the then-current term.

3. **RENT**: The rent shall be paid annually, in advance, in the amount of \$120.00 per year, together with all applicable sales taxes, if any. The rent shall be delivered to 259 NE Franklin Street, Suite 102, Lake City, FL 32055 during regular business hours, and shall be considered paid upon receipt by Lessor.

4. **NOTICES**: All notices required by law and by this Lease to be given by one party

to the other shall be in writing via email as Lessor or Lessee may so designate from time to time. The email address for Lessor as of the date of this Lease is [REDACTED] and the email address for the Lessee is david_kraus@columbiacountyfla.com.

5. **WARRANTIES OF TITLE AND QUIET POSSESSION**: The Lessor covenants that Lessor is seized of the demised premises and owner in fee simple thereof with the full right to make this Lease, subject to all matters of record, and covenants that the Lessee upon making payments of the rents and the keeping of the other covenants herein contained therefor shall have quiet and peaceful possession of the demised premises during the term hereof.

6. **USES ALLOWED AND PROHIBITED**: The Lessee shall use the Premises only for records storage and governmental offices and uses reasonably related to either purpose. The Lessee shall not use or permit the Premises or any part of the Premises to be used for any unauthorized or unlawful purpose, or for any purpose other than as set forth above.

7. **COMPLIANCE WITH LAWS**: During the term of this Lease, the Lessee shall comply with all local, state, and federal laws and regulations, breach of which shall be cause for cancellation of this Lease. The Lessee shall at all times maintain all required and applicable licensing and permits. The Lessee further covenants that the said premises shall not be used for any purpose which might cause forfeiture of the Lessor's title to the said premises.

8. **SIGNS**: Lessee may, at its option and expense, erect, maintain or display signage at or on the exterior of the demised premises. Any signage shall be approved by Lessor prior to installation, and approval and consent shall not be unreasonably withheld.

9. **LESSORS RIGHT OF ENTRY**: The Lessor understands and agrees that one of the purposes of this lease is to provide Lessee with secure storage space for public and official records. Lessee is legally obligated to maintain security of these stored records. Lessor's access for inspection shall therefore always be subject to Lessee's on-site supervision, and Lessor shall give Lessee not less than 72 hours' notice, confirmed as received by Lessee, prior to undertaking any inspection. Lessee shall otherwise permit Lessor or its agents to enter and upon the premises for the purpose of inspection, or the making of repairs, replacements, or additions in, to, on and about the premises or the building that lessor deems necessary or desirable. Lessee shall have no claim or cause of action against lessor by reason of lessor's entry except as provided in Section Ten (10) of this agreement.

10. **INTERRUPTION OF SERVICES OR USE**: Interruption or curtailment of any service maintained in the building, if caused by strikes, mechanical difficulties, or any causes beyond Lessor's control whether similar or dissimilar to those enumerated, shall not entitle Lessee to any claim against lessor or to any abatement

in rent, and shall not constitute constructive or partial eviction unless lessor fails to take reasonable measures to restore the service without undue delay. If the premises are rendered untenable in whole or in part, for a period of thirty (30) business days, by the making of repairs, replacements, or additions, other than those made with lessee's consent or caused by misuse or neglect by lessee or lessee's agents, servants, visitors, or licensees, there shall be a proportionate abatement of rent during the period of untenability.

11. **CONDITIONS OF LESSOR'S LIABILITY**: Lessee shall not be entitled to claim a constructive eviction from the premises unless lessee has first notified lessor in writing of the condition or conditions giving rise to the eviction. If the complaints are justified, and lessor has failed within a reasonable time after receipt of the notice to remedy the conditions, lessee is entitled to claim a constructive eviction.

12. **RENOVATIONS, REPAIRS, AND MAINTENANCE**: Lessee agrees to obtain the written consent of Lessor prior to the initiation of renovations, to any degree, to the Premises. Further, Lessee agrees that the interests in the Premises of the Lessor shall not be subject to liens for improvements made by the Lessee, the Lessee shall notify the contractors making any such improvements of this provision, and the knowing or willful failure of the Lessee to provide such notice to the contractors shall render any contracts between the Lessee and the contractors voidable at the option of the contractor.

13. **PREMISES IMPROVEMENTS UPON TERMINATION**: Lessee may, at its own expense and only upon written approval by Lessor, make alterations and improvements to the Premises as necessary for the conduct of its business. Lessee specifically agrees that any and all improvements, except signs, equipment and trade fixtures installed, located upon the said premises shall become the property of the Lessor upon termination of this lease.

14. **ACCUMULATION OF WASTE OR REFUSE**: Lessee shall not permit the accumulation of waste or refuse matter on the leased premises or anywhere in or near the building.

15. **UTILITIES**: Lessee agrees to pay all charges related to telephone and internet utilities. Electricity, water, sewer, and gas utilities shall be provided to the Premises, or common area, by the Lessor at no additional expense to the Lessee.

16. **INSURANCE**: Lessee agrees to insure its property at all times. Lessee agrees that Lessor shall not be held liable for any loss or damage to Lessee's property.

17. **INDEMNIFICATION OF LESSOR**: Lessee agrees to protect, defend, reimburse, indemnify and hold the Lessor, its agents, employees and officers and each of them forever, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including reasonable attorney fees) and causes of action of every kind and character (this is to the extent allowed by law, and except to the extent caused by the Lessor's gross negligence or intentional

misconduct) by reason of any damage to property, or the environment, or bodily injury (including death) incurred or sustained by any party hereto, any agent or employee of any party hereto, or any other person whomsoever, or any governmental agency, arising out of or incident to or in connection with the Lessee's performance under this Agreement, the Lessee's use or occupancy of the Premises, the Lessee's acts, omissions or operations hereunder or the performance, non-performance or purported performance of this Agreement or any breach of the terms of this Agreement. Lessee recognizes the broad nature of this indemnification and hold harmless clause, and voluntarily makes this covenant and expressly acknowledges the receipt of such good and valuable consideration provided by the Lessor in support of this indemnification in accordance with the laws of the State of Florida. This clause shall survive only three (3) months after the termination of this Agreement. Compliance with any insurance requirements herein shall not relieve the Lessee of its liability or obligation to indemnify the Lessor as set forth in this Article. Notwithstanding anything to the contrary in the foregoing or within this Agreement, neither the Lessor nor the Lessee relinquishes or waives any rights as a sovereign local government and each party reserves all rights and defenses under applicable sovereign immunity law.

18. **ASSIGNMENT AND SUBLETTING**: The Lessee shall not assign nor sublet its right, title or interest in or to all or any portion of the Premises or the leasehold improvements without first obtaining the prior written consent of the Lessor, provided, however, that such consent shall not be unreasonably withheld; and provided further that the Lessee shall remain directly and primarily liable for the performance of the terms and conditions of this Lease; provided further that no such assignment or subletting shall be made to any person for any purpose other than that set forth in this Lease. The foregoing notwithstanding, Tenant may (a) assign this Lease, in whole or in part, to any entity owned by, owning or under common ownership or control with Tenant, or (b) assign this Lease to a purchaser of Tenant's assets or business.

19. **ENVIRONMENTAL ISSUES**: Notwithstanding anything to the contrary in this Lease, Lessor assumes sole and full responsibility for compliance with all applicable federal, state and local environmental statutes, regulations and ordinances related to this commercial office building and the land it resides upon and shall indemnify, defend, save and hold harmless Lessee, its directors, officers, agents and employees from and against any and all claims, demands, losses and liabilities (including reasonable attorney's fees) resulting from any alleged or actual violation thereof. The provisions of this paragraph shall survive the expiration or termination of this Lease.

20. **LESSEE'S DEFAULT; REMEDIES**: The occurrence of anyone or more of the following events shall constitute a default on the part of the Lessee: (1) the Lessee fails to pay when due any rental or any other sum of money payable hereunder on the date due; (2) the conduct of any business or performance of any acts on the Premises not specifically authorized in this Agreement; (3) the Lessee abandons, deserts or vacates the Premises; (4) the Lessee breaches or fails to comply with any other term, provision, covenant or condition of this Agreement. Upon the occurrence of any of the above Events

of Default, the Lessor shall give written notice of such default to Lessee. If the default is for failure to pay rent or any other sum of money when due, then the Lessee shall have ten (10) days after the effective date of notice to cure. If the default is for any other Event of Default then the Lessee shall have thirty (30) days after the effective date of notice to cure, except that Lessee shall not be allowed an opportunity to cure a re-occurring Event of Default of the same type which has been previously noticed by the Lessor and cured by the Lessee. If the Lessee fails to cure the default within the time allowed, Lessor shall thereafter have the option to exercise any remedy or right permitted by law or in equity.

21. **LESSOR'S DEFAULT; REMEDIES:** In the event Lessor shall default in performing any covenants, conditions or provisions herein binding upon Lessor, the Lessee shall give written notice of such default. The Lessor shall have thirty (30) days after the effective date of notice to cure, except that Lessor shall not be allowed an opportunity to cure a re-occurring default of the same type which has been previously noticed by the Lessee and cured by the Lessor. If the Lessor fails to cure the default within the time allowed, Lessee shall thereafter have, in addition to the option to exercise any remedy or right permitted by law or in equity, the right to terminate this Lease.

22. **CLEANLINESS:** Lessee shall at all times keep the leased premises in a reasonably neat and orderly condition and clean and free from rubbish. Lessee will not store any unsightly materials, junk, garbage or debris of any kind upon the said premises and shall commit or suffer no waste of the said demised premises or maintain any nuisance therein.

23. **LITIGATION VENUE:** The exclusive venue for any dispute arising under this Lease Agreement shall be the state courts in and for Columbia County, Florida.

24. **ENTIRE AGREEMENT:** This lease represents the complete understanding between the Parties, and any prior agreements or representations, whether written or verbal, are hereby superseded. No agreement to modify this lease will be effective unless in writing and executed by the party against whom the modification is sought to be enforced. Any such modification on the part of the Lessor shall not be effective unless considered at a public meeting and approved by a majority vote of the Board of the Lessor.

IN WITNESS WHEREOF the parties hereto have caused this lease to be executed this ___ day of _____, 2023.

LESSOR:
LAKE SHORE HOSPITAL AUTHORITY

By: _____

Print: _____

Title: _____

LESSEE:
COLUMBIA COUNTY, FLORIDA

By: _____
David Kraus
County Manager

Sonja Markham

From: Sonja Markham
Sent: Friday, September 1, 2023 9:21 AM
To: Dale Williams; Todd Kennon
Cc: Alysha Jenkins (alj@rkkattorneys.com)
Subject: RE: renewal premiums

Alysha,
Please see below.

*Sonja Markham, Administrative Assistant
Lake Shore Hospital Authority
259 NE Franklin Street, Suite 102
PO Box 988
Lake City, Florida 32055
Phone: (386) 755-1090
Direct Line (386) 344-6033
Fax: (386) 755-7009
www.lakeshoreha.org*

From: Dale Williams <dale@lakeshoreha.org>
Sent: Friday, September 1, 2023 9:19 AM
To: Sonja Markham <sonja@lakeshoreha.org>; Todd Kennon <tjk@rkkattorneys.com>
Subject: Re: renewal premiums

Sonja:

I know we want a quote eliminating property coverage on the hospital; however, we want to maintain general liability. I am not sure of the limits. Todd, will you verify?

Sent from my iPhone

On Sep 1, 2023, at 8:13 AM, Sonja Markham <sonja@lakeshoreha.org> wrote:

Morning Tom,
We will.

*Sonja Markham, Administrative Assistant
Lake Shore Hospital Authority
259 NE Franklin Street, Suite 102
PO Box 988
Lake City, Florida 32055
Phone: (386) 755-1090
Direct Line (386) 344-6033
Fax: (386) 755-7009
www.lakeshoreha.org*

From: Tom Conley <TConley@flcities.com>
Sent: Thursday, August 31, 2023 11:30 AM
To: Sonja Markham <sonja@lakeshoreha.org>
Subject: RE: renewal premiums

Just let me know if you guys decide to remove the building, so I can get them to re-price the renewal.

Tom Conley
Account Executive
Florida League of Cities, Inc.
850.251.8722
www.flcities.com



From: Sonja Markham <sonja@lakeshoreha.org>
Sent: Tuesday, August 29, 2023 3:32 PM
To: Tom Conley <TConley@flcities.com>
Subject: RE: renewal premiums

Hey Tom,
Thank you for the info, I will forward this information to Dale.

*Sonja Markham, Administrative Assistant
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Lake City, Florida 32055
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Direct Line (386) 344-6033
Fax: (386) 755-7009
www.lakeshoreha.org*

From: Tom Conley <TConley@flcities.com>
Sent: Tuesday, August 29, 2023 3:29 PM
To: Sonja Markham <sonja@lakeshoreha.org>
Subject: RE: renewal premiums

Hi Sonja,
I just got word back from Underwriting that they are unwilling to write “functional replacement” coverage on the hospital building. I was trying to get a quote for Dale, just to have an example. So, it looks like the other option is going to be the way to go, ie – drop coverage on the building. Also, for renewal the vacancy provision is being beefed up. As I stated to Dale before, insurers aren’t keen to insure buildings that sit vacant. Here is the wording in the policy changes coming for next year:
E. Loss Conditions 6. Vacancy – added language defining when a building is “under construction or renovation;” added fungus and fire as excluded causes of loss; excluded vacant buildings from blanket coverage; increased the loss recovery reduction to 50%;

So, you're really not getting much coverage due to the vacancy provision, especially with the changes coming.

Tom Conley
Account Executive
Florida League of Cities, Inc.
850.251.8722
www.flcities.com



From: Sonja Markham <sonja@lakeshoreha.org>
Sent: Monday, July 17, 2023 9:01 AM
To: Tom Conley <TConley@flcities.com>
Subject: RE: renewal premiums

Thank you.

*Sonja Markham, Administrative Assistant
Lake Shore Hospital Authority
259 NE Franklin Street, Suite 102
PO Box 988
Lake City, Florida 32055
Phone: (386) 755-1090
Direct Line (386) 344-6033
Fax: (386) 755-7009
www.lakeshoreha.org*

From: Tom Conley <TConley@flcities.com>
Sent: Monday, July 17, 2023 9:00 AM
To: Sonja Markham <sonja@lakeshoreha.org>
Subject: RE: renewal premiums

Experience mod is a factor in worker's comp premium calculation. It reflects your specific losses compared to your peers. If yours are higher, then the mod increases. If yours are lower, the mod decreases. The benchmark is 1.00, because that doesn't move it up or down. 1.00 is the default mod for small groups, which is the case for you.

Tom Conley
Account Executive
Florida League of Cities, Inc.
850.251.8722
www.flcities.com



From: Sonja Markham <sonja@lakeshoreha.org>
Sent: Monday, July 17, 2023 8:45 AM
To: Tom Conley <TConley@flcities.com>
Subject: RE: renewal premiums

Good morning,
What is experience modification? I have never seen that before.

Sonja Markham, Administrative Assistant
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259 NE Franklin Street, Suite 102
PO Box 988
Lake City, Florida 32055
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Fax: (386) 755-7009
www.lakeshoreha.org

From: Tom Conley <TConley@flcities.com>
Sent: Saturday, July 15, 2023 4:03 PM
To: Sonja Markham <sonja@lakeshoreha.org>
Subject: renewal premiums

Hi Sonja,
I just got these figures in today, and wanted to get them to you ASAP. As you've no doubt heard, the property insurance market in Florida is a real mess. Rates are up dramatically for all carriers, so you'll notice a sharp increase there. I've included some flyers explaining it.

Tom Conley
Account Executive
Florida League of Cities, Inc.
850.251.8722
www.flcities.com



Staff Report
September 11, 2023 Regular Meeting

NEW	1
RENEW	2
INELIGIBLE (INCOME OR OTHER)	0
TOTAL CLIENTS SEEN IN OFFICE IN AUGUST	3
ACTIVE MEMBERS	23
PUBLIC VISITS	9
PRIMARY CARE VISITS – 4 LOCATIONS	
July, 2023	20
YTD (Fiscal year October – Sept)	132
PHARMACY USAGE	
July	
2023	
PATIENTS SERVED	2
RX'S FILLED	10